

BUCKS - 2 MARKET TEST
PHOENIX & BIRMINGHAM

		BUDGET

INTRODUCTORY OFFER		\$6.3
EARLY ACCEPTANCE ALLOWANCE		5.7
VOLUME INCENTIVE PROGRAM		47.5
GRATIS		79.5
1ST QTR RETAIL PROMOTIONS		
2 FOR 1	225.3	
BUCKS FOR A BUCK	48.3	
5 FOR 2	95.7	
	-----	369.4
POKER CARDS	125.1	
T-SHIRT	159.8	
	-----	284.9
3RD QTR RETAIL PROMOTION - 40 BUCKS FOR A BUCK		172.9
4TH QTR RETAIL PROMOTION - TBD		200.0
SAMPLING		
SAMPLE TOWERS	16.2	
SAMPLE 6'S	42.2	
SAMPLING LABOR	5.1	
	-----	63.5
COUPONING (EXC. PACK STICKERS)		
ON SAMPLE	16.6	
FSI - 1ST QTR DROPS	260.0	
FSI - 2ND/3RD/4TH QTRS	500.0	
CONSUMER INTERCEPT	23.7	
MILITARY	25.2	
	-----	825.4
DIRECT MARKETING		500.0
ENVIRONMENTAL PROGRAMS		350.0
POS MATERIALS		1,500.0
POS ARTWORK		850.0
PACKAGE DESIGN		100.0
MISCELLANEOUS		100.0

TOTAL COST- NON-MEDIA		\$5,455.1
ADVERTISING- MEDIA		1,000.0
ADVERTISING- PRINT & OUTDOOR PRODUCTION		2,100.0

TOTAL MARKETING EXPENSE		\$8,555.1
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PROGRAM -----	DESCRIPTION -----	BUDGET -----	CALCULATIONS -----
INTRODUCTORY OFFER -----	\$15.00 PER CASE .5% ALLOCATION	\$6.3	520.9 BILLION / 12 MONTHS / 12,000 CIGS PER CAS \$15 * 420 CASES
EARLY ACCEPTANCE ALLOWANCE -----	\$18 PER CASE ON ALLOCATION PURCHASED BEFORE JANUARY 15	5.7	90% OF INTRO ALLOWANCE
VOLUME INCENTIVE PROGRAM -----	\$9.60 PER CASE ON 1990 VOLUME	47.5	0.5 SHARE. 5.4 MM UNITS PER MONTH. 11 MONTHS
GRATIS -----	SLIDING SCALE, BASED ON ELEMENTS MEMO	79.5	EST. 80% ACCEPTANCE. AVERAGE OF 2 CARTONS PER A 2.3% OF NATL MARKET. \$9.00 PER CARTON
1ST QUARTER PROMOTIONS -----			
2 FOR 1'S			
2 FOR 1	25 20 DEAL DISPLAYS PER REP 5 50 DEAL DISPLAYS PER REP. \$2 & \$3 PMTS. 95% UTIL.	33.1 PROD 37.4 MATL 2.8 PMT 3.9 WRAP ----- 77.3	800 POLYWRAPS PER REP. 44 REPS + 2 AMMS. \$9 PER CARTON + \$.10 PER WRAP
MONTH 1			
2 FOR 1	20 DEALS PER DISPLAY 40 DISPLAYS PER REP. \$2 PMT. ASSUMES 95% UTILIZATION.	27.6 PROD 46.0 MATL 3.5 PMT 0.7 HDLG ----- 77.8	\$.75 PER DEAL INC. TAX \$25 PER DISPLAY. 5% OVERRUN. \$.10 PER CARTON.
MONTH 2			
2 FOR 1	50 DEALS PER DISPLAY 20 DISPLAYS PER REP. \$3 PMT. ASSUMES 95% UTILIZATION.	34.5 PROD 27.6 MATL 4.6 BASE 2.6 PMT 0.9 HDLG ----- 70.2	\$.75 PER DEAL \$30 PER DISPLAY. 5% OVERRUN. \$5.00 PER UNIT. 5% OVERRUN \$.10 PER CARTON.
MONTH 2			
TOTAL 2 FOR 1'S		225.3	

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1ST QUARTER PROMOTIONS -----	DESCRIPTION -----	BUDGET -----	CALCULATIONS -----
BUCKS FOR A BUCK	ASSUME \$.30 OFF A PACK 3,000 STICKERS PER REP	48.3 VPR	\$.35 INC PRINTING
5 FOR 2	40 DEALS PER DISPLAY 15 DISPLAYS PER REP. \$5 PMT. 95% UTILIZATION.	62.1 PROD 1.4 HDLG 29.0 MATL 3.3 PMT ----- 95.7	\$2.25 PER DEAL \$.10 PER CARTON \$40 PER DISPLAY. 5% OVERRUN.
2ND QTR PROMOTIONS -----			
FREE POKER SET	20 DEALS PER DISPLAY 50 DISPLAYS PER REP. \$2 PMT. 95% UTILIZATION	60.4 INC 60.4 MATL 4.4 PMT ----- 125.1	\$1.25 PER INCENTIVE (\$.78 + PACKAGING) \$25 PER DISPLAY. 5% OVERRUN.
FREE T-SHIRT	30 DEALS PER DISPLAY 20 DISPLAYS PER REP. \$6 PMT. 95% UTILIZATION	115.9 INC 38.6 MATL 5.2 PMT ----- 159.8	\$3.50 PER INCENTIVE (\$2.50 + PACKAGING) \$40 PER DISPLAY. 5% OVERRUN.
TOTAL 2ND QTR PROMOTIONS		284.9	
3RD QTR PROMOTION -----			
40 BUCKS FOR A BUCK	20 DEALS PER DISPLAY 40 DISPLAYS PER REP. \$2 PMT. ASSUMES 95% UTILIZATION.	38.6 VPR 46.0 MATL 3.5 PMT 0.7 HDLG ----- 88.9	EST. VALUE - \$.75 - FREE PACK FROM RICHMOND PLUS \$.30 OFF PACK \$25 PER DISPLAY. 5% OVERRUN.
	50 DEALS PER DISPLAY 20 DISPLAYS PER REP. \$3 PMT. ASSUMES 95% UTILIZATION.	48.3 VPR 27.6 MATL 4.6 BASE 2.6 PMT 0.9 HDLG ----- 84.0	EST. VALUE - \$.75 - FREE PACK FROM RICHMOND PLUS \$.30 OFF PACK \$30 PER DISPLAY. 5% OVERRUN. \$5.00 PER UNIT. 5% OVERRUN \$.10 PER CARTON.
TOTAL 3RD QTR PROMOTIONS		172.9	

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4th Qtr Retail Promotions

Detruct TBD

206.0

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PROGRAM -----	DESCRIPTION -----	BUDGET -----	CALCULATIONS -----
COUPONING -----			
BIG1F ON SAMPLE 6'S SLEEVES INC TOWERS	84,900 SAMPLES 15% REDEMPTION	16.6	REDEMPTION COST- \$1.30 PER PACK INC. PROCESSING
FSI - MONTH 1	EST. 2 MM CIRC. BIG1F 4% REDEMPTION	104.0	
FSI - MONTH 2	EST. 2 MM CIRC. \$1.00 OFF 2 PACKS 2% REDEMPTION AND FREE CARTON WITH 5 CARTON UPC CODES. .5% REDEMPTION	44.0 112.0	APPROX \$11.20 PER CARTON
FSI - 2ND/3RD/4TH QTRS	OFFERS TBD	500.0	
CONSUMER INTERCEPT	300 PIECES PER REP FREE PACK COUPON (45% REDEMPT) \$2 OFF CARTON (25% REDEMPT) BRC (15% RESPONSE) MONEY CLIP BOUNCEBACK COUPON - \$1.00 OFF 2 PACKS	7.7 6.9 4.0 4.0 1.1 ----- 23.7	EST. \$2 FULFILLMENT \$2.00 EACH 50% REDEMPTION
ON CARTON COUPONS	MILITARY ONLY 5,000 PER AMMS 2 AMMS	0.5 PRT 24.7 REDEMPT ----- 25.2	95% REDEMPTION
TOTAL COUPONING		825.4	

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SAMPLING -----	DESCRIPTION -----	BUDGET -----	CALCULATIONS -----
SAMPLE TOWERS	290 TOWERS 50 6'S PER TOWER \$5 PMT. 95% UTIL.	6.1 MATL 8.7 PROD 1.4 PMT ----- 16.2	EST. \$20 EACH EST. \$.60 PER SAMPLE
6'S	110 SAMPLES PER HOUR	42.2	EST. \$.60 PER SAMPLE
SAMPLING LABOR	PART-TIME EMPLOYEES- 4 PEOPLE, FOR 8 WKS AT \$8 PER HR	5.1 -----	
TOTAL SAMPLING		63.5	
DIRECT MARKETING -----	# OF NAMES TBD COUPON FOR 2 FREE PACKS EST. 60% REDEMPTION	----- 500.0	COST OF LETTER, ENVELOPE, POSTAGE \$1.30 PER REDEMPTION INC PROCESSING
ENVIRONMENTAL PROGRAMS -----	BAR NIGHTS, EVENT PROMOTIONS	350.0	
POS MATERIALS -----		1,500.0	
POS ARTWORK -----		850.0	1990 EXPENSE ONLY 1989 BUDGETED EXPENSE - \$0.15 MM
PACKAGE DESIGN -----		100.0	1990 EXPENSE ONLY
MISCELLANEOUS -----		100.0 -----	SALES MEETINGS, TRADE GIFT, ETC.
TOTAL COST- NON-MEDIA		\$5,455.1	
ADVERTISING- MEDIA		\$1,000.0	
ADVERTISING- PRINT & OUTDOOR PRODUCTION		\$2,100.0	1990 EXPENSE ONLY \$2.0 MM AGENCY, \$0.1 MM PM PRODUCTION
TOTAL MARKETING EXPENSE		\$8,555.1 =====	1989 BUDGETED EXPENSE - \$0.8 MM

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